



POLOKWANE

MUNICIPALITY

INDIGENT POLICY

Approved by Council on 26 May 2016

PREAMBLE

Whereas section 96 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) requires a municipality to adopt, maintain and implement a credit control, debt collection and customer care policy;

And whereas section 97 of the Systems Act prescribes that such policy must provide for 'provision for Indigent debtors that is consistent with its rates and tariff policies and any national policy on indigents'.

Now therefore the Municipal Council of the Municipality of Polokwane adopts the Indigent Policy as set out in this document.

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1. DEFINITIONS

For the purpose of this policy, unless the context indicates otherwise, any word or expression to which a meaning has been attached in the Act shall bear the same meaning and means:-

authorized representative	The person or instance legally appointed by the Council to act or to fulfill a duty on its behalf.
basic service	The amount or level of any municipal service that is necessary to ensure human dignity and a reasonable quality of life and which, if not provided, could endanger public health or safety of the environment and for the purposes of this Policy are restricted to electricity, refuse, sewerage and water services. It is also to be understood that the national norms will be used as guidelines for the determination of the amount / level of the services.
Chief Financial Officer	An officer of the municipality appointed as the Head of the Finance Department and includes any person:- - o acting in such position; and - o to whom the Chief Financial Officer has delegated a power, function or duty in respect of such a delegated power, function or duty.
Council or Municipal Council	A municipal council referred to in section 18 of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998) and for purposes of this policy, the municipal council of the Municipality of Polokwane.
Customer	Any occupier of any property to which the Municipality has agreed to supply services or already supplies services to, or if there is no occupier, then the owner of the property (including registered indigent household).
Defaulter	A person who owes money in respect of a municipal account after the due date for payment has expired.
Household	This includes all persons who are jointly living on a stand or site on a permanent basis and who receive water and / or electricity from one meter.
Indigent and child headed household	This is a household which, due to a number of factors as set out in paragraph 2, is not financially capable of paying for the delivery of Basic Services – including poor households and child headed family.
interest	A levy with the same legal priority as service fees and calculated on all amounts in arrears in respect of assessment rates and service levies at a standard rate as approved by Council.

Municipal account or billing	The proper and formal notification by means of a statement of account, to persons liable for monies levied and indicating the net accumulated balance of the account, specifying charges levied by the Municipality, or any unauthorized and contracted service provider, in the format of, but not limited to.
Municipality	The institution that is responsible for the collection of funds and the provision of services to the customers of Polokwane.
the Act	The Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) as amended from time to time.

2. OBJECTIVES OF POLICY

The objectives of this Policy are to:-

- a) Provide a framework within which the Municipality can exercise its executive and legislative authority with regard to the implementation of financial aid to indigent and poor households in respect of their municipal account;
- b) Determine the criteria for qualification of Indigent and poor households;
- c) Ensure that the criteria is applied correctly and fairly to all applicants;
- d) Allow the municipality to conduct in loco visits to the premises of applicants to verify the actual status of the household;
- e) Allow the Municipality to maintain and publish the register of names and addresses of account holders receiving subsidies.

3. PRINCIPLES OF POLICY

- a) The administrative integrity of the Municipality must be maintained at all costs. The democratically elected councilors are responsible for making of policy, while it is the responsibility of the Municipal Manager to ensure the execution of this policy;
- b) Applicants must complete an official application form, which is to be submitted together with the supporting documents as specified in this policy, when applicable;
- c) Application forms, agreements and documents relating to this Policy must be available in English. Officials designated to control and manage these documents must be able to explain the contents thereof in the three languages of Limpopo;

- d) The customer is entitled to an efficient, effective and reasonable response to appeals, and should suffer no disadvantage during the processing of a reasonable appeal.

4. CRITERIA FOR INDIGENT HOUSEHOLDS

To qualify as 'Indigent household, a household must comply with all the following criteria:-

- a) The total household income may not exceed the sum of two times the amount of state funded social grants plus two child grants currently R3500 ;
- b) Must be a permanent resident of Polokwane;
- c) Must be a South African citizen;
- d) The applicant may not be the registered owner of more than one property.
- e) The property may only be used for residential purposes;
- f) The applicant may not be the owner but the occupier including child headed family.

5. SUBSIDY

The subsidies below will be funded from the 'equitable share' contribution received from National Treasury, plus an amount from the Municipality's own income as budgeted for in the financial year in question. The subsidies will only be granted to qualifying households to the extent that the above-mentioned funds are available for allocation.

The subsidy amount will be allocated as a rebate on account against service of charge.

- a) The qualifying Indigent households will receive the following subsidy per month.
 - 100% rebate of the basic levy for electricity per month
 - 100% rebate of the basic levy for water per month
 - 100% of the basic levy for sewerage per month
 - 100% of the basic levies for refuse removal per month.
 - 100kWh of electricity;
 - 6kl of water;
 - 100% rebates on sewer charge per month.

6. APPLICATION FOR A SUBSIDY

The customer may apply in person at a customer care office of the Municipality on the prescribed application form when applicable.

The following items must accompany the application:-

- Proof of the account holder's identity;
- The latest municipal account of the household;
- Proof of income of the account holder (e.g. a letter from his / her employer, salary slip / envelope, pension card, unemployment insurance fund (UIF) card);
- Written proof of child headed family or letter of authority.
- Proof of medical condition when requiring additional water and electricity.
- Bank statement for the past three month of applicant and spouse where applicable.
- Any other proof or confirmation/ evidencing the qualification as indigent.
- Sworn Affidavits that Gross household income is less than the threshold set by council and that the information supplied is true and all income is declared.

Should the account holder be unable to apply in person, due to medical reasons, his / her application may be certified by a commissioner of oaths, or a community worker.

The applicant must complete the sworn statement that forms part of the application form. Failure to do so will render the application invalid.

7. PUBLICATION OF NAMES OF QUALIFYING APPLICANTS

The Municipality may publish names and address of account holders receiving subsidies in terms of this policy for inspection and objection.

Any person may inspect or scrutinize the list at a Customer Care Office and inform / notify the Municipality of any person who, according to their true circumstances, should not be in receipt of a subsidy as envisaged in this policy.

8. FALSE INFORMATION

A person who provides false information will be disqualified and be refused further participation in the subsidy scheme. In addition, he / she will be held liable for the immediate re-payment of any subsidies already granted

and legal action, civil or criminal may be instituted against the guilty party/parties.

9. LOCAL AUDIT (VERIFICATION)

The Municipality reserves the right to send officials and / or representatives of the Municipality to the household or site of the applicant(s) at any reasonable time, with the aim of carrying out a local verification of the accuracy of the information provided by the applicant(s).

Such audit will be conducted on a continuous basis as municipality require.

10. DURATION OF SUBSIDY

There is no restriction on the duration of the subsidy, except where the beneficiary's circumstances have changed to the extent that he / she no longer qualifies or when the budgeted amount has been depleted.

If the municipality obtains information that indicates that the circumstances of the applicant has changed to such an extent that he / she no longer qualifies for the subsidy, the Municipality reserves the right to suspend the subsidy. If any of the criteria, as set out in this policy, is not complied with any more, the onus is on the recipient of the subsidy to notify the Municipality within seven (7) days after such criteria is no longer complied with. If a recipient cannot write, a designated official must be informed in person.

11. CURRENT AMOUNT IN ARREARS

- a) Applicants, whose municipal accounts show arrear amounts at the time of the application for a subsidy, such arrears may be written off on approval depending on availability of budget/Funds. .

12. REGISTER

The Municipality will complete a register of households that qualify as indigent". The register will be continually updated